



# The importance of sustainability to a UK Generator

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# Drax

- Power station in North England
- Reducing coal, increasing biomass use (started 2008)
- Biomass Sustainability principles since 2008
- Constructing pellet facilities in US



# Sustainability is critical

- It is the way we do business
- It is required by our stakeholders including the UK taxpayer
- It is a crucial part of our business model, financially and for our reputation.
- There are strong drivers requiring sustainable business practices at a National and European level

# Drax's principles

1. Significantly reduce greenhouse gas emissions compared with coal-fired generation and give preference to biomass sources that maximise this benefit.
2. Not result in a net release of carbon from the vegetation and soil of either forests or agricultural lands.
3. Not adversely affect protected or vulnerable biodiversity and where possible we will give preference to biomass production that strengthens biodiversity.
4. Deploy good practices to protect and/or improve soil, water (both ground and surface) and air quality.
5. Not endanger food supply or communities where the use of biomass is essential for subsistence (for example, heat, medicines, building materials).
6. Contribute to local prosperity in the area of supply chain management and biomass production.
7. Contribute to the social well being of employees and the local population in the area of the biomass production.

# UK Forest Management Criteria – any timber procured by HMG



Management of the forest must ensure that:

1. harm to ecosystems is minimised
2. productivity of the forest is maintained
3. forest ecosystem health and vitality is maintained
4. biodiversity is maintained
5. the legal, customary and traditional tenure and use rights of indigenous peoples and local communities related to the forest are identified, documented and respected.
6. appropriate mechanisms are in place for resolving grievances and disputes including those relating to tenure and use rights, to forest management practices and to work conditions.
7. the basic labour rights of forest workers are safeguarded.
8. appropriate safeguards are put in place to protect the health and safety of forest workers.

# UK GHG saving criteria

- Clear trajectory set:
- to 2020                      **79.2** gCO<sub>2</sub>eq/MJ (**60%** saving)
- 2020-2025                      **55.66** gCO<sub>2</sub>eq/MJ    (**72%**)
- 2025-2030                      **50.09** gCO<sub>2</sub>eq/MJ    (**75%**)
- Savings are in comparison with EU Fossil fuel comparator
- Represents greater savings than before consultation, when post 2020 was to move to **66%** saving
- EU likely to propose broadly similar criteria.

# How does all this happen?

- An example from my past -

# UK Forest Management background

- Decide to fell part of a forest
  - UKWAS certified? Or UKFS?
  - WGS or part of LTFP?
  - EIA required?
  - ICF T&C or something else?
  - FMOC in place? NPTC?
  - AP on site?
  - AR in place?
  - NSZ 102 or other?
  - CoC?
- 
- And if we do all that then everything is just fine

# We have to ask a lot of questions!

- It is important to understand what our suppliers do
- Suppliers may not understand all our requirements
- We may not understand everything our suppliers are already doing
  
- But we **MUST** meet our own requirements, and those of the UK Gov & Europe.

# What role does certification play?

- SFI
- FSC
- PEFC
- CSA
- CoC
  
- It can help provide good evidence
- It is not mandatory



# Cat A and Cat B Evidence

- Categories set by the UK regulator
- Cat A evidence requires Forest Management certification (FSC, PEFC, CSA, SFI) plus Chain of Custody from forest to furnace
- Minimum of 70% of material must have FM & CoC
- Category B evidence requires validation of each the criteria by another method
- ALL material should be “legal”
  
- Canadian suppliers may well be able to achieve Cat A because of significant FM%

# Looking forwards

- UK & European requirements are unlikely to diminish
- The broad categories of criteria are becoming well established
- The Sustainable Business Partnership is working to pull together a single set of criteria that meets all European requirements
- We need to continue to work together to find ways to evidence that criteria are being met

# Summary

- We need to know where our supplies come from and that:
- There are genuine carbon savings from using the pellets being supplied
- The sensitivities are all being managed
- The carbon store in the forest is not being compromised
- Then everything will be fine - thank you

